

United States
Lease Financing, Inc.



733 Front Street
San Francisco, California 94111
(415) 627-9276
Telex: 278031 USLF UR

Via Airborne

July 29, 1988

8-214A092

Aug 1 1988

Date 13.00

ICC Washington, D.C.

Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, DC 20423

7112-8
RECORDATION NO. 7112-8 PAGE 1325

AUG 1 1988 11 32 AM

INTERSTATE COMMERCE COMMISSION

Attn: Mrs. Mildred Lee, Room 2303

Gentlemen:

Enclosed for recordation under provisions of Section 11303 (formerly 20C) of the Interstate Commerce Act and the regulations promulgated thereunder, as amended is the original and three counterparts of a Release and Termination Agreement to an Equipment Lease, Assignment, Chattel Mortgage and Security Agreement - Trust Deed dated as of May 15, 1973 evidencing satisfaction of the Lease and Assignment thereto. The Lease, Assignment, Chattel Mortgage and Security Agreement - Trust Deed were recorded with the Interstate Commerce Commission on July 25, 1973 and assigned ICC Recordation Number 7112.

The names and addresses of the parties to the enclosed are

TRUSTEE: Trust Company for USL, Inc., under a Trust
as Lessor Agreement dated as of January 7, 1973
c/o United States Lease Financing, Inc.
733 Front Street
San Francisco, CA 94111

AGENT: United States Leasing International, Inc.
733 Front Street
San Francisco, CA 94111

SECURITY
TRUSTEES: Bankers Trust Company of California, N.A.
and William B. Lester (successors to Wells
Fargo Bank, N.A. and R.T. Dreiling)
50 Fremont Street
San Francisco, CA 94105

LESSEE: Canadian National Railway Company
935 de La Gauchetiere Street West
Montreal, Quebec
Canada H3C 3N4

100 OFFICE OF
THE SECRETARY
AUG 1 11 32 AM '88
NOTOR OPERATING UNIT

Interstate Commerce Commission
July 29, 1988 - Page 2

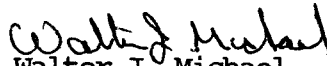
The general description of the equipment is contained in the Exhibit to the Bill of Sale attached hereto.

The undersigned is an officer of the Trustee and is knowledgeable of the matters set forth herein.

Enclosed is a remittance of \$13.00 covering the required recording fee.

Please return three recorded copies of the Release to my attention.

Very truly yours,


Walter J. Michael
Treasurer

415/627-9283

WJM/jr
Encl.

Interstate Commerce Commission
Washington, D.C. 20423

8/1/88

OFFICE OF THE SECRETARY

Walter Michael
Treasurer
U.S. Lease Financing ,Inc.
733 Front St.
San Francisco, Calif. 94111

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/1/88 at 11:35am , and assigned recodation number(s). 7112-B

Sincerely yours,

Narta L. McGee
Secretary

Enclosure(s)

RELEASE AND TERMINATION
(C.N. Trust No. 5)

RECORDATION NO. 7112-B FROM 1988

AUG 1 1988 - 11 25 AM

INTERSTATE COMMERCE COMMISSION

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, under an Equipment Lease, Assignment, Chattel Mortgage and Security Agreement - Trust Deed dated as of May 15, 1973 (the "Lease") amending and supplementing an Equipment Lease dated as of January 1, 1973 among Trust Company for USL, Inc., Trustee under a Trust Agreement dated as of January 1, 1973 (the "Trustee"), United States Leasing International, Inc. as Agent for the Trustee (the "Agent"), Canadian National Railway Company (the "Lessee") and Bankers Trust Company of California, N.A. and William B. Lester (successors to Wells Fargo Bank, N.A. and R.T. Dreiling) (the "Security Trustees"), the Lessee acquired the possession and use of the locomotives described in the Lease (the "Equipment"); and

WHEREAS, pursuant to the Lease, the Trustee sold, conveyed, warranted, mortgaged, assigned, pledged and granted a security interest in the Equipment to the Security Trustees to secure payment of certain 7 7/8% Secured Notes due 1973-1988 issued by the Trustee (the "Notes"); and

WHEREAS, the Trustee has caused the Notes to be paid in full and cancelled, the Security Trustees hereby release their right, title and interest to the Equipment and;

WHEREAS, pursuant to a Bill of Sale of even date in substantially the form attached hereto, the Trustee shall sell and convey to the Lessee all the right, title and interest of the Trustee in and to the Equipment subject to the Lease;

NOW, THEREFORE, in consideration of \$1.00 and other valuable considerations, the receipt of which is hereby acknowledged, the Trustee, not in its personal or corporate capacity, but solely as trustee under the above described Trust Agreement, acknowledges and declares the Lease to be satisfied and canceled and does consent that the same be terminated and released of record, and hereby relinquishes unto the Lessee all the Trustee's right, title and interest in and to the Equipment, provided however, any claim or liability of the Trustee or the Lessee under the Lease arising from facts or circumstances existing prior to the date hereof or which under the terms of the Lease is to survive termination of the Lease shall not be released or otherwise affected hereby.

The parties below have caused this instrument to be executed in their names by their duly authorized representatives as of the 25th day of July, 1988.

(Seal)

Bankers Trust Company of California, N.A.
and William B. Lester,
the Security Trustees

By: *Lawrence J. Bell*
its ASSISTANT VICE PRESIDENT

By: *[Signature]*
William B. Lester

(Seal)

Trust Company for USL, Inc.
Trustee

By: *[Signature]*
its Vice President

(Seal)

United States Leasing International, Inc.
Agent for the Trustee

By: *Hesou Akeman*
its Assistant Vice President

Attachment: Form of Bill of Sale

State of California)
County of San Francisco) ss:

Daniel J. Hurley
Notary Public



My commission expires: *May 20, 1991*

CORPORATE FORM OF ACKNOWLEDGEMENT

State of California)

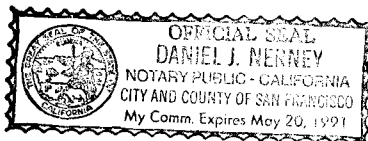
ss:

County of San Francisco)

On this 27th day of July, 1988, before me personally appeared William B. Lester, to me personally known, who being by me sworn, says that he is the person whose name is subscribed to this instrument and acknowledged that he executed it.

Daniel J. Nerney
Notary Public

(SEAL)



My commission expires: may 20, 1991

CORPORATE FORM OF ACKNOWLEDGEMENT

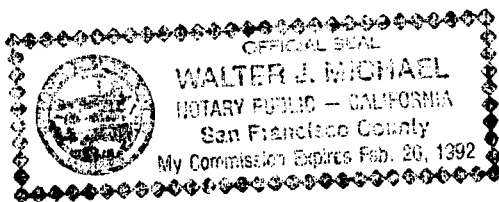
State of California)

ss:

County of San Francisco)

On this 28th day of July, 1988, before me personally appeared Peter Ashby, to me personally known, who being by me sworn, says that he is Vice President of Trust Company for USL, Inc., that the seal affixed to the foregoing instrument is the seal of said entity, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Walter J. Michael
Notary Public



(SEAL)

My commission expires:

CORPORATE FORM OF ACKNOWLEDGEMENT

State of California)
County of San Francisco)

ss:

On this 28th day of July, 1988, before me personally appeared Dese W. Kemm, to me personally known, who being by me sworn, says that he is Assistant Vice President of United States Leasing International, Inc., that the seal affixed to the foregoing instrument is the seal of said entity, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Walter J. Michael
Notary Public

(SEAL)

My commission expires:

BILL OF SALE

For valuable consideration, TRUST COMPANY FOR USL, INC., TRUSTEE, as Lessor (the "Seller") under an Equipment Lease, Assignment, Chattel Mortgage and Security Agreement - Trust Deed dated as of May 15, 1973 (the "Lease") does hereby sell to CANADIAN NATIONAL RAILWAY COMPANY (the "Buyer") all of Seller's right, title and interest in and to the following described personal property:

Forty-two (42) 2000 H.P. GP-38-2 Diesel Electric
Locomotives, manufactured by General Motors of Canada
Limited (Diesel Division) bearing identifying numbers
shown on the Schedule "A".

legal title to which property is held by Seller, not in its individual capacity but solely as Trustee under a Trust Agreement dated as of January 1, 1973 amended as of May 15, 1973 (C.N. Trust No. 5).

Said property is sold as-is, where-is, without any covenant or warranty expressed or implied, of any nature whatsoever except, however, that Seller covenants and warrants that said property is free of all liens and encumbrances created by, through or under Seller other than liens and encumbrances which the Buyer is obligated to satisfy under the Lease between Seller as Lessor and Buyer as Lessee. By acceptance of said property transferred hereunder, Buyer agrees to pay all sales and use taxes payable in connection with this sale, and any unpaid property taxes heretofore assessed or levied against said property.

TRUST COMPANY FOR USL, INC.
TRUSTEE

By: _____

Date: _____

SCHEDULE A TO THE BILL OF SALE

Equipment: 42 GP38-2 2000hp Diesel Locomotives

Original Number	Current Number
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CN 5519	CN 5519
CN 5520	CN 5520
CN 5521	CN 5521
CN 5522	CN 5522
CN 5523	CN 5523
CN 5524	CN 5524
CN 5525	CN 5525
CN 5526	CN 5526
CN 5527	CN 5527
CN 5528	CN 5528
CN 5529	CN 5529
CN 5530	CN 5530
CN 5531	CN 5531
CN 5532	CN 5532
CN 5533	CN 5533
CN 5534	CN 5534
CN 5535	CN 5535
CN 5536	CN 5536
CN 5537	CN 7521
CN 5538	CN 7522
CN 5539	CN 7526
CN 5540	CN 7524
CN 5541	CN 7500
CN 5542	CN 7502
CN 5543	CN 7504
CN 5544	CN 7506
CN 5545	CN 7508
CN 5546	CN 7510
CN 5547	CN 7512
CN 5548	CN 7514
CN 5549	CN 7516
CN 5550	CN 7518
CN 5551	CN 7520
CN 5552	CN 7501
CN 5553	CN 7503
CN 5554	CN 7505
CN 5555	CN 7507
CN 5556	CN 7509
CN 5557	CN 7511
CN 5558	CN 7513
CN 5559	CN 7515
CN 5560	CN 5560